

Date: July 27, 2005
W.I.: 1512
Referred By: PAC
Revised: 02/22/06-C
04/25/07-C
09/26/07-C
03/26/08-C

ABSTRACT

Resolution No. 3714, Revised

This resolution approves the FY 2005-06 through FY 2007-08 FTA Section 5307 and FTA Section 5309 Fixed Guideway (FG) funds for inclusion in the 2005 Transportation Improvement Program (TIP).

This resolution was amended on February 22, 2006 to program \$210 million of FY 2006-07 and FY 2007-08 FTA formula funds, the balance of funds estimated to be available after programming all eligible high-scoring capital projects.

This resolution was amended on April 25, 2007 to reconcile the FTA formula funds program for FY 2006-07 with the FY 2006-07 FTA apportionments.

This resolution was amended on September 26, 2007 to incorporate additional programming to Vallejo Transit and Benicia Transit.

This resolution was amended on March 26, 2008 to make annual revisions to the previously programmed FY 2007-08 FTA programs, constraining them to actual appropriations, adding FTA funded earmarks for FY 2007-08, and making other adjustments to FTA funding for previously programmed projects.

Further discussion of the regional TCP is contained in the Executive Director's Memorandum dated July 13, 2005 and February 8, 2006, and the Programming and Allocations Committee memos dated April 11, 2007, September 12, 2007, and March 5, 2008.

Date: July 27, 2005
W.I.: 1512
Referred By: PAC

RE: San Francisco Bay Area Regional Transit Capital Priorities

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 3714

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county Bay Area and is required to prepare and endorse a Transportation Improvement Program (TIP) which includes a list of priorities for transit capital projects; and

WHEREAS, MTC is the designated recipient of the Federal Transit Administration (FTA) Section 5307 and 5309 Fixed Guideway funds for the large urbanized areas of San Francisco-Oakland, San Jose, Concord, Antioch, and Santa Rosa and have been authorized by the California Department of Transportation (Caltrans) as the representative for the Governor of the State of California to program the FTA Section 5307 small urbanized area funds of Vallejo, Fairfield, Vacaville, Napa, Livermore, Gilroy-Morgan Hill, and Petaluma in MTC's 2005 Federal Transportation Improvement Program; and

WHEREAS, MTC has worked cooperatively with the cities, counties and transit operators and with Caltrans in the region to establish priorities for the transit capital projects to be included in the TIP; and

WHEREAS, the process and criteria used in the selection and ranking of such projects are set forth in MTC Resolution No. 3688; and

WHEREAS, the projects to be included in the TIP are set forth in the detailed project listings in Attachments A, which are incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC adopts the FY 2005-06 through FY 2007-08 Transit Capital Priorities for projects to be included in the TIP as set forth in Attachments A; and, be it further

RESOLVED, that MTC will use the priorities set forth in Attachments A to program sources of federal, state, regional and local funds to finance the projects; and, be it further

RESOLVED, that the Executive Director of MTC is authorized and directed to forward a copy of this resolution to FTA, and such agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

Jon Rubin, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California on July 27, 2005.

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Attachment A
Resolution No. 3714, Revised
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See Excel document for
Attachment A:

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METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
Tel: 510.464.7700
TDD/TTY: 510.464.7769
Fax: 510.464.7848

Memorandum

TO: Programming and Allocations Committee

DATE: July 13, 2005

FR: Executive Director

W.I.: 1512

RE: FY 2005-06 through FY 2007-08 Transit Capital Priorities: MTC Resolution No. 3714

This memorandum requests your review and approval for the FY 2005-06 to FY 2007-08 FTA Section 5307 and 5309 Fixed Guideway (FG) proposed programming for inclusion into the 2005 Transportation Improvement Program (TIP).

BACKGROUND

MTC recently made a call for projects to program the FY 2005-06 through FY 2007-08 FTA formula funds totaling roughly \$925 million. The FTA funds are generated by federally established urbanized area (UA) formula and are distributed to 20 operators in 12 urbanized areas based on federal regulations and MTC's Transit Capital Priorities (TCP) policy, MTC Resolution No. 3688, adopted by the Commission in March 2005.

PROJECTS RECOMMENDED FOR PROGRAMMING

Attachment A is a list of proposed projects eligible for funding in the three-year period FY 2005-06 through FY 2007-08 for FTA formula funds. As a reminder, MTC policy apportions projects to eligible urbanized areas in score order, from a high of vehicle and fixed guideway rehabilitation to a low of capital expansion, based on urbanized area funding capacity. The funding policy also acknowledges the following pre-existing multi-county agreements when apportioning projects to urbanized areas: 1) the Caltrain Joint Powers Agreement; 2) the ACE Cooperative Service, and 3) the Santa Rosa City Bus-Sonoma County Transit Funding Agreement.

Attachment A is disaggregated into four broad programming categories: 1) bus, rail, and ferry capital projects; 2) programming commitments; 3) ADA operating set-aside; and 4) 10% flexible set-aside. An explanation of these programming categories and other programming details are outlined below.

1) Capital and Operating Projects: The proposed program includes \$468 million for capital and operating projects including bus, ferry, and rail capital replacement projects and rehabilitation.

2) Programming Commitments: MTC Resolution 1876 made an initial commitment to fund Caltrain Rapid Rail improvements totaling roughly \$120 million (in 1997 dollars). The total amount of funding that Caltrain will receive in this programming cycle is roughly \$34 million, and will complete the MTC Resolution 1876 commitment to this project.

3) ADA Set-aside: TEA-21 establishes a cap on the use of large urbanized area capital funds for ADA paratransit services not to exceed 10% of the region's apportionment of FTA Section 5307 funds. The funds were distributed based on a historical agreement between the region's operators.

4) 10% Flexible Set-aside: The 10% Flexible Set-aside was established during MTC Resolution 3688 policy discussions. Ten percent of each participating urbanized area's FTA Section 5307 apportionment or approximately \$60 million is set-aside to provide eligible operators greater flexibility in prioritizing capital projects. The funds can be used for any purpose permitted by applicable federal regulations. Attachment A shows operators' project priorities for programming these funds.

PREVENTIVE MAINTENANCE FOR OPERATING PURPOSES

Historically, the Commission's priorities for programming FTA formula funds have been to maintain the region's transit capital plant by replacing and rehabilitating high scoring capital projects. Continued reliance on FTA formula funds for operating purposes diminishes this objective. As a result of the recent recession, many of the region's operators have relied heavily on the FTA formula funds to close budget shortfalls. Continued reliance on the FTA funds for this purpose prompted staff, working with the Bay Area Partnership, to craft a preventive maintenance policy that strikes a balance between prioritizing capital and allowing funding to be diverted to preventive maintenance, particularly if it helps operators avoid service reductions.

Operators requesting preventive maintenance funding in excess of their 10% flexible set-aside in the next three years include: AC Transit - \$31 million, San Francisco Muni - \$13 million, and Santa Clara Valley Transit Authority (VTA) – \$63 million.

ISSUES

The call for projects resulted in a surplus of funds. Funds available for programming totaled \$925 million; however eligible project costs considered for programming totaled only \$732 million. This leaves \$193 million in surplus funds for future programming.

Given the significant transit shortfalls identified in Transportation 2030, this is an unexpected result. The surplus of funds could be attributed to the following factors, which appear to have converged within this upcoming three-year programming window:

- Many operators are still coping with recession-induced operating shortfalls requiring service reductions. This has forced operators to defer fleet and other capital replacements.
- Most operators have delayed bus replacements until engine technology catches up with California Air Resource Board and EPA fleet emissions standards.
- The Transportation 2030 projected transit capital shortfall is based on total, uncapped need. FTA funding programming eligibility rules assume project funding at the lower capped levels.
- Transit capital needs in the region are cyclical in nature. Based on the 10-year TCP data, the next significant spike in capital replacement is anticipated in 2013-14.
- Some transit properties do not have the capability to accurately develop their capital need over a longer time horizon. Therefore, data submitted for longer-term analysis may not have reflected actual shorter term needs.

MTC staff will be meeting with the transit operator general managers in July and the Partnership Board in August to develop a proposal for programming these surplus funds. Staff will return to the Commission this fall with a proposal for programming the remaining roughly \$190 million.

RECOMMENDATION

Staff recommends that the Programming and Allocations Committee forward the proposed FY 2005-06 through FY 2007-08 FTA Section 5307 and 5309 FG programming to MTC Resolution 3714, to the Commission for approval.

Steve Heminger

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Metropolitan Transportation Commission Programming and Allocations Committee

July 13, 2005

Item Number 7a

Resolution No. 3714

- Subject:** FY 2005-06 and FY 2007-08 Proposed Federal Transit Administration (FTA) Section 5307 and 5309 Fixed Guideway (FG) Programs
- Background:** MTC is the designated recipient of the region's FTA Section 5307 and 5309 FG funds, which fund an estimated \$300 million in transit projects annually. The attached program includes approximately \$732 million in projects ready to be delivered in FY 2005-06 through FY 2007-08.
- The program funds high scoring capital projects in the competitive urbanized areas and lower scoring projects as requested in non-competitive urbanized areas. Projects recommended for programming include:
- \$469 million for capital and operating projects including bus, rail, and ferry replacement and rehabilitation projects.
 - \$35 million to fund the balance of the MTC Resolution 1876 Caltrain Rapid Rail Commitment.
 - \$60 million for ADA Operating Purposes
 - \$60 million for 10% flexible set-aside to allow operators to set their own funding priorities.
 - \$108 million in preventive maintenance funding to relieve the effects of the prolonged economy and to minimize service reductions for the following operators:
 - AC Transit - \$31 million (which includes \$14 million in FY 2005-06 and \$17 million in FY 2006-07 should their budget shortfall continue).
 - SF Muni - \$13 million
 - VTA - \$63 million
- Issues:** Funds available for programming totaled \$925 million. Approximately \$732 million eligible projects are being considered for programming. This leaves a balance of \$193 million unprogrammed. Staff will be meeting with the transit general managers in July and the Partnership Board at their August 1st meeting to develop a proposal for programming the balance of funds. Staff will return to the Commission this fall to present this proposal for approval.
- Recommendation:** Staff recommends the Programming and Allocations Committee refer the FY 2005-06 and FY 2007-08 FTA Section 5307 and 5309 FG programs to the Commission for approval. The project listings provide the basis for amendment 05-12 to the 2005 Transportation Improvement Program.
- Attachments:** Executive Director's Memorandum
MTC Resolution No. 3714

Metropolitan Transportation Commission Programming and Allocations Committee

April 11, 2007

Item Number 4a

Resolutions No. 3714, Revised, and 3755, Revised

Subject: Annual revisions to the FY 2006-07 Federal Transit Administration (FTA) Section 5307 and 5309 Fixed Guideway (FG) Programs, and companion adjustments to the 2007 Transportation Improvement Program (TIP); MTC Resolutions No. 3714, Revised, and 3755, Revised.

Background: MTC is the designated recipient of the region's FTA Section 5307 and 5309 FG funds, which fund an estimated \$300 million in transit projects annually. This revision reconciles the FY 2006-07 program to the FY 2006-07 FTA apportionments and implements an AC Transit proposal to retire early and replace 16 buses. Further, technical adjustments to conform FY 2005-06 to actual programming are included. The revisions to the FY 2006-07 program and other FTA funded projects provide the basis for the annual transit amendment to the 2007 TIP (Amendment 07-08). The federally required TIP is a comprehensive listing of all Bay Area transportation projects that receive federal funds or that are subject to a federally required action. Attachment 1 is a summary of the projects being amended.

Issues: **FY 2006-07 FTA Apportionments.** The apportionments in the San Francisco-Oakland Urbanized Area were \$9.2 million below the revenue estimates upon which the program was based. The shortfall was addressed through Golden Gate Transit's voluntary deferral of a \$10.4 million ferry vessel replacement project to FY 2007-08 and by making other minor revisions to the program.

Based on the gap between revenue estimates and actual apportionments that the region experienced in FY 2005-06 and FY 2006-07, particularly in the San Francisco-Oakland Urbanized Area, and the deferral of a significant project from FY 2006-07 to FY 2007-08, staff anticipates a more substantial shortfall in the FTA formula program in FY 2007-08, which will likely require program reductions to resolve. The region's Transit Capital Priorities policy provides that the first priority for reductions required to reconcile the program to the apportionments would be projects programmed as flexible set-aside from the \$210 million FTA "surplus" in February 2006. MTC staff will work with the Partnership to reconfirm or revise this policy in conjunction with the programming of FY 2008-09 FTA funds later this year.

AC Transit Early Bus Retirement and Replacement. The proposed revisions to the FY 2006-07 Section 5307 program also implement a proposal by AC Transit to retire early 16 model year-2000 NABI buses and replace them with 16 Van Hool buses. The NABI buses would be removed from consideration for standard replacement funding in 2012, offsetting the cost of the Van Hool buses. The amount of funding provided for the Van Hool buses would be prorated to reflect the reduced useful life of the NABIs. Because the Van Hool buses are manufactured abroad and not eligible for FTA funding, the proposal would require

a funding swap. Therefore, \$3.1 million in FTA Section 5307 funds is proposed for programming to AC Transit's preventive maintenance program in FY 2006-07, which would free local funds to purchase the Van Hool buses. The programmed amount would be eligible for bridge toll matching funds in FY 2008-09. AC Transit would defer \$3.1 million for bus security cameras until FY 2007-08 to create the required funding capacity in FY 2006-07. Deferring the funding for the security cameras will have no impact on AC Transit's security program since they will exercise pre-award spending authority and procure the cameras with local funds. To avoid exacerbating the FTA formula funding shortfall anticipated in FY 2007-08, an equivalent amount in other AC Transit projects would be deferred to FY 2008-09 unless there are other voluntary deferments in the region.

Recommendation: Staff recommends the Programming and Allocations Committee refer the FY 2006-07 FTA Section 5307 and 5309 FG programs and the companion All Transit TIP Amendment 07-08, MTC Resolutions No. 3714, Revised, and 3755, Revised, to the Commission for approval, contingent on completion of the public comment period on April 30, 2007.

Attachments: MTC Resolutions No. 3714, Revised, and 3755, Revised
Attachment 1, Summary report of the projects being amended,
2007 TIP – Amendment No. 2007-08

Metropolitan Transportation Commission Programming and Allocations Committee

September 12, 2007

Item Number 2c

Resolution No. 3714, Revised

Subject: Programming of FTA Section 5307 Funds for Vallejo Transit and Benicia Transit. MTC Resolution 3714, Revised.

Background: MTC is the designated recipient of the region's Federal Transit Administration (FTA) Section 5307 and 5309 Fixed Guideway (FG) funds, which fund approximately \$300 million in transit projects annually. MTC Resolution 3714, Revised, establishes the region's program for these funds for FY 2005-06 through FY 2007-08.

Issues: This amendment programs \$720,000 to Vallejo Transit and \$433,000 to Benicia Transit from surplus FY 2006-07 Vallejo Urbanized Area Section 5307 funds for high priority capital projects that were identified subsequent to the development of the original program. The funds for Vallejo will support a ferry dredging project. The funds for Benicia will be used to rehabilitate and extend the useful life of seven buses, and to install emissions filters on 11 vehicles to meet California Air Resources Board requirements. These amendments are included in TIP amendment 07-14, which is being presented for Committee consideration at this meeting.

Following this proposed action, there is still an estimated balance in the Vallejo Urbanized Area of \$218,000. MTC is working with the eligible transit operators to identify project needs for future inclusion in the program.

Recommendation: Refer MTC Resolution No. 3714, Revised, to the Commission for approval.

Attachments: MTC Resolution No. 3714, Revised

Metropolitan Transportation Commission Programming and Allocations Committee

March 5, 2008

Item Number 2e

Resolution No. 3714, Revised, 3742, Revised, and 3856

Subject: Revisions to FY 2007-08 Federal Transit Administration (FTA) Sections 5307 and 5309 Fixed Guideway and AB 664 bridge toll programs as well as \$12.3 million in allocations of AB 664 funds for FY 2007-08. MTC Resolution Nos. 3714, Revised, 3742, Revised, and 3856.

Background: MTC is the designated recipient of the region's Federal Transit Administration (FTA) Section 5307 and 5309 Fixed Guideway (FG) funds, which fund approximately \$300 million in transit projects annually. MTC Resolution 3714, Revised, establishes the region's program for these funds for FY 2005-06 through FY 2007-08.

AB 664 Net Bridge Toll Revenues are programmed to transit operators to serve as matching funds for FTA formula funds and other federal and state grants. MTC Resolution No. 3856 allocates approximately \$12 million in FY 2007-08 AB 664 bridge toll funds that were programmed in MTC Resolution 3742, Revised.

This item makes revisions to the previously approved FY 2007-08 FTA program, including constraining the program to actual appropriations; adding FTA funded earmarks; and making other adjustments to FTA funding for previously programmed projects. The item also makes corresponding revisions to the FY 2007-08 AB 664 program, which is distributed to eligible operators in proportion to their FTA programming.

- Issues:**
- 1). The revisions to the FTA program were necessitated by a \$21.3 million shortfall in the San Francisco-Oakland (SF-O) urbanized area due to actual federal apportionments coming in below the revenue estimate upon which the programming was based, and the deferral of programming from FY 2006-07 to FY 2007-08 to resolve a similar shortfall in FY 2006-07. The FY 2007-08 SF-O shortfall is being resolved by transferring eligible programming to other urbanized areas (\$8.1 million), and deferring programming for Golden Gate Transit and AC Transit (\$13.2 million) to FY 2008-09. No reductions in programming were necessary.
 - 2). MTC has been working with SFMTA and BART to develop Regional Transportation Information Kiosks at the downtown San Francisco shared subway stations. In order to expand the Kiosk program, this action programs and allocates \$225,000 to MTC in AB664 funds that otherwise would have been directed to SFMTA to address a local eligibility constraint. SFMTA has agreed to in turn program an equivalent amount of other local funds to use as match to their FTA program.

Recommendation: Refer MTC Resolution No. 3714, Revised, 3742, Revised, and 3856 to the Commission for approval.

Attachments: MTC Resolution No. 3714, Revised, 3742, Revised, and 3856